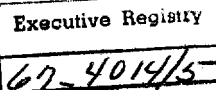


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21 SEP 1967

MEMORANDUM FOR: Director of Central Intelligence

SUBJECT: House Action on S.1035

1. This memorandum is for the information of the Director of Central Intelligence.

2. At the present time, six identical companion bills to S.1035 and three similar bills have been introduced in the House and referred to the Post Office and Civil Service Committee. S.1035, as passed by the Senate, also has been referred to that Committee. As far as can be determined, there are no plans for that Committee to hold hearings, and there is no evidence of any pressures in the House as a whole to initiate hearings.

3. If hearings are held, they would be in the Manpower and Civil Service Subcommittee, chaired by Representative David N. Henderson (D., N.C.). Generally, Mr. Henderson appears to be reasonable and has a sympathetic approach to the problems of security agencies. So long as no hearings are imminent, there would seem to be little purpose in briefing him on the Agency's concern. These concerns have been made known fully to the Staff Director of the full Committee, Mr. Charles Johnson, who is completely sympathetic.

4. Efforts should be continued to encourage other parts of the Executive Branch to understand the implications of S.1035. It is hoped that if a sufficient number of members are alerted to the difficulties in these bills, S.1035 will die in Committee. In the meantime, members of the CIA Subcommittees should be alerted to the reasons for the Agency's

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concern and the Agency should be on record detailing these reasons. At the same time, continuing efforts will be made to detect any developing sentiment which could turn into pressures for commencement of Subcommittee hearings.

5. If pressures develop looking toward actual hearings or we learn that they are being scheduled, this whole matter should be reviewed to determine what new actions should be taken. We should then, of course, consider the question of whether Agency representatives should testify.

6. Attached is a run down of actions being taken and suggested action on the Hill and in the Executive Branch.

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JOHN S. WARNER
Legislative Counsel

Attachment

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cc: DDCI
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It is hoped that a sufficient awareness of the implications of S.1035 is developed throughout the Executive Branch and the Congress so that no action would be taken in the Committee. In the meantime, parallel efforts should go forward to assure that the Leadership and the members of the CIA Subcommittees are fully alerted to problems this will cause the Agency, and the reasons.

ACTION

I. CIA Subcommittee of House Armed Services

A. Mr. Blandford has been regularly informed of the Agency concern with S.1035 and at our urging has alerted Chairman Rivers to the problems. Subsequent to passage by the Senate, Blandford was briefed fully on the reasons for our concern and why the changes in Committee and on the floor have not eliminated our concern. He has been requested to brief the Chairman, which he will do at the earliest opportunity.

B. A careful letter, detailing our reasoning on the bill, should be sent to the Chairman. (This letter is being prepared.)

C. At the next meeting of the Subcommittee, the Agency position should be discussed referring to the letter which, presumably, will then be in the hands of the Chairman. (Possibly each member of the Subcommittee should have a copy.)

II. CIA Subcommittee of House Appropriations

A. Mr. Michaels has been regularly informed of the Agency's concern with the bill and the reasons. He was requested to alert the Chairman which he has done. He has also been briefed on the changes in the bill, both in Committee and on the floor, and why these do not meet all of the problems foreseen by the Agency.

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B. In the briefing of the Subcommittee on 19 September, the Director discussed the implications of S.1035 for both the Agency and other parts of the Intelligence Community. All the members present agreed that this did not appear to be a good bill for the Government generally. The Director advised that he would be forwarding a detailed letter within a few days. (Possibly a copy of this should be furnished to each member.)

III. House Post Office and Civil Service Committee

Six companion, identical bills and three similar bills to S.1035 have been referred to this Committee. S.1035 has also been referred to this Committee.

A. The Staff Director, Mr. Charles Johnson, has been briefed on the reasons for our concern with these bills. He has indicated, over the last several months and as of now, that there is no interest in the Committee in commencing hearings and, furthermore, the press of business would prevent any hearings for a considerable period of time. He has assured us that we will be informed of any developing interest in commencing hearings. In any event, we will be in touch periodically.

B. Mr. Johnson agrees that the security agencies should be fully exempted and has appropriately marked the bill file that CIA, NSA and FBI should be completely exempt.

C. If it appears that hearings are to be commenced, consideration should then be given to briefing Representative David N. Henderson (D., N.C.), Chairman of the Subcommittee on Manpower and Civil Service, where the hearings would be held. Also to be considered is the question of possible appearance of Agency representatives before the Subcommittee.

IV. Office of the Speaker

A. The Speaker was personally briefed on the reasons for Agency concern with S.1035 in mid-August. He agreed with our reasoning and said he would do everything to help us. Since Representative Moss had introduced a bill identical to S.1035, he spoke with Moss and obtained

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Moss' concurrence that the Agency should have an exemption. The Speaker also indicated that he had no evidence of any pressures or desires to commence action on this matter in the House.

B. We shall maintain contact with the Speaker's office on a regular basis.

V. Office of the Minority Leader

A. In mid-August, Representative Gerald Ford was briefed on the reasons for Agency concern with S.1035. He expressed his view that it was not a good bill for the Government generally and certainly the security agencies should be exempted. He stated that he was aware of no pressures to commence action on this matter in the House but promised to let us know if he heard of any.

B. We shall maintain contact with Mr. Ford's office on a periodic basis.

VI. Office of the Minority Whip

A. Discussed S.1035 with Representative Leslie Arends in mid-August pointing out our reasons for concern with the bill. He was not familiar with the bill but did agree that certainly the security agencies should be exempt. He stated he had no evidence of pressures to commence action on the bill but promised to let us know if he heard anything.

B. We will keep in touch with Mr. Arends both personally and through his membership on the CIA Subcommittee of Armed Services.

VII. Civil Service Commission

A. Mr. Macy has already stimulated some reaction in the Department of Defense to the overall aspects of the bill. He should be contacted periodically to ascertain if he knows of any general developments. Surely he is well known to, and hopefully on good terms with, Representative Dulski, Chairman of the House Post Office and Civil Service Committee, and with Representative Henderson.

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B. Contact should be made with Mr. Pellerzi, General Counsel of the Civil Service Commission, to develop some of the security aspects of court action under this bill for use as ammunition. This is one phase that has not been well developed either in the hearings or in the floor debate. Mr. Houston has already undertaken a study of these aspects. Coordination with Mr. Pellerzi should be fruitful.

VIII. Department of Defense

As indicated, DOD apparently has been stimulated on S.1035 as a result of prodding from Mr. Macy. At a recent meeting with DOD General Counsel representatives and other offices of DOD, those present expressed great concern over many provisions of the bill. Not all of these concerns were limited to the security aspects. Many of the provisions went far beyond the problems that NSA had primarily focused on. For example, they perceive real problems in application of the law in the military service and see real difficulties in the right of unions to intervene. They are preparing a detailed paper covering all of the difficulties and are surveying all components. It was agreed that DOD and the Agency would stay in continuing contact on this.

IX. Department of State

The Director discussed this with Mr. Katzenbach and Mr. Warner has discussed it with Mr. Macomber. The latest report is that the Department of State's Legal Advisor sees no problem for the Department in the bill. It seems worthwhile that appropriate efforts be made with the Legal Advisor's office, Macomber, Rimestad, and Marvin Gentile to alert them to the potential problems.

X. Bureau of the Budget

Contact should be maintained with the Bureau to determine their views and possible efforts. Also consideration should be given to clearing with the Bureau our proposed letter to Chairmen Mahon and Rivers.

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General

In the absence of any indication of pressures or moves to initiate hearings, efforts on the Hill should be cautious and carefully targeted so as to avoid developing an interest. Key points of contact are as indicated above: Dulski, Henderson, the members of the CIA Subcommittees and the Leadership offices. At such time as pressures do develop looking toward hearings, the entire approach to this should be thoroughly re-examined.

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ACTION		DIRECT REPLY		PREPARE REPLY	
APPROVAL		DISPATCH		RECOMMENDATION	
COMMENT		FILE		RETURN	
CONCURRENCE		INFORMATION		SIGNATURE	
<p>Remarks: Attached is a brief memo outlining the situation in the House on S.1035. Also attached is a detailed listing of actions being taken and future action on the Hill and in the Executive Branch. Since the attached was written, Charles Johnson, Staff Director of House Post Office & Civil Service Committee, has advised that Subcommittee Chairman David Henderson has no plans to conduct hearings, has some concerns about the bill and added that he is not obligated to his North Carolina colleague, Senator Ervin.</p> <p>John S. Warner Legislative Counsel</p>					
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